



May 10, 2016

Dear Members of the Virginia Housing Commission:

Thank you for your attention to the matter of limited lodging homesharing in Virginia.

Founded in August of 2008, Airbnb is a trusted, online community marketplace for people to list, discover, and book limited lodging accommodations around the world. Whether a spare bedroom, an apartment, or an entire home, Airbnb connects travelers to diverse and authentic range of experiences in over 34,000 cities and 191 countries around the world.

Airbnb and our community of hosts are part of the growing Sharing Economy — a business model powered by new technologies and social tools that are redefining the way goods and services are exchanged. The Sharing Economy is about how resources are used, how residents are empowered, and how economic opportunities are distributed across diverse communities. These values are at the heart of Airbnb and our home sharing model.

In November of 2015, Airbnb published our Community Compact and committed to partnering with elected officials to develop rules for limited lodging home sharing that will strengthen cities, states, and countries worldwide. The Compact is built around our core principles and informed by the lessons we've learned about how best to partner with governments. At the heart of the Compact are three commitments:

1. We are committed to helping ensure our community pays its fair share of hotel and tourist taxes;
2. We are committed to being transparent with our data and sharing information with cities to help them understand the home sharing activity in their city while at the same time protecting the privacy of our hosts and users; and
3. We are committed to working with our community to prevent limited lodging rentals from impacting the availability of long term housing by ensuring hosts agree to a policy of listing only permanent homes on a short-term basis.

In Virginia, we are eager to work with localities, the General Assembly, and this Housing Commission to pass and implement common sense legislation the year ahead.

Taxes

We have made clear that we want to collect and remit hotel and tourist taxes in Virginia on behalf of our host community. Unfortunately, due to the size of the Virginia market, the costs of compliance render our ability to collect and remit locality by locality infeasible. As a result, we are committed to creating an innovative system of central collection (and dissemination) for applicable taxes at the state level. During the General Assembly session we worked with the State Department of Tax to do just that. However, we need State lawmakers to grant us the authority to centrally collect and remit these taxes.

Other state governments across the country are also working with us to put in place agreements that will allow us to collect and remit taxes and we welcome the opportunity to work with this body on model legislation that will give us the authority to implement such a program in Virginia.

Data Transparency

Our host community in Virginia consists of nearly 4,500 hosts. These hosts welcomed more than 154,000 guests in 2015 — a 160% increase from 2014 — and earned an average of \$4,300 sharing their space 40 nights

1200 18th Street, NW
7th Floor
Washington, DC 20036 3
United States

of that year or less. The average age of our host in Virginia is 44 while the average age of our Virginia guests is 37. Our guests contribute millions of dollars in new revenue to the state each and every year. We will continue to release data such as this on an ongoing basis so that the state can manage the growth of this new industry.

Measured Rules to Foster Economic Empowerment

Airbnb is committed to ensuring that the focus of our listings is on permanent homes, and it is important to remember that these spaces are just that—homes. They are not commercial enterprises and should not be regulated as if they are. An Airbnb host may decide to make her home available for guests a few times a year—for the big race, the big game, or other event when hotels in the area might be fully booked. He or she may make an extra bedroom available to guests to help pay for college or medical bills. Often, a host is trying to make extra money to supplement their income and meet the demands of their job and family. As a result, I encourage you to be mindful of the additional burden that placing new regulations on home sharing would have on a host's ability to make ends meet for their family.

I also encourage you to keep in mind private property rights, free enterprise, and the Commonwealth's interest in promoting opportunity for all of its citizens and not permit local government regulation or support for incumbent industry to stand in the way of home sharing. The legislation considered in the 2016 General Assembly would have permitted citizens to use their primary residence for home sharing, subject to limited local regulation. Properties other than primary residences would be subject to local regulation. I encourage you to adopt this framework and permit the use of primary residences for home sharing.

While home sharing has been around for centuries, our home sharing platform is new and Airbnb is a young company. What we have outlined here is our ongoing effort to apply the principles in the Compact and recognize that there is more to be done. As we move forward, we remain eager to work with this Commission on clear, fair rules for home sharing in the Commonwealth that will help Virginians use what is typically their greatest expense - their housing - as a way to generate supplemental income.

Respectfully,


Jillian Irvin

Our Host Community in Virginia

Listings, Average Nights Booked and Host Earnings in Virginia

	2015-Present
Percent of hosts with an entire home listing	59%
Percent of hosts with a private room listing	39%
Total number of active hosts	4,500
Total number of active listings	6,000
Number of inbound guests	154,000
Total number of outbound guests	270,000
Average host age	44
Average Nights Booked	3.3 nights
Average annual earnings for a typical host	\$4,300